

Kelowna Home Prices See Double-Digit Growth in Second Quarter of 2017

Rising home values push purchasers into the condominium and bungalow markets

KELOWNA, July 13, 2017 – According to the Royal LePage House Price Survey¹ and Market Survey Forecast released today, the aggregate price of a home in Kelowna increased significantly in the second quarter of 2017, rising 12.9 per cent year-over-year to \$588,596.

When broken out by housing type, the median price of a two-storey home, bungalow and condominium rose by 8.7 per cent, 19.0 per cent and 17.5 per cent year-over-year, to \$665,072, \$584,315 and \$376,491, respectively.

“Kelowna home values continue to reach new heights, as buyers from across the Lower Mainland enter the market, placing significant strain on the region’s already low inventory level,” said Francis Braam, owner and broker, Royal LePage Kelowna. “As a result, we’re beginning to see affordability wane within the two-storey market segment, pushing many prospective homeowners into condominiums and bungalows.”

Looking forward to the end of the year, Braam predicts that pricing across Kelowna will rise, as high levels of demand continue to intensify the region’s competitive market trends.

“Prices will continue increasing in Kelowna for the foreseeable future thanks in part to the region’s growing economy,” Braam concluded. “With a strong employment rate, and considerable interest in the area, it seems as though the Kelowna real estate market is in store for yet another extremely strong year.”

Nationally, Canada’s residential real estate market posted strong home price gains in the second quarter of 2017, with the majority of metropolitan markets across Canada displaying expansionary trends. During the quarter, the Royal LePage National House Price Composite showed that the price of a home in Canada increased 13.8 per cent year-over-year to \$609,144. When broken out by housing type, the price of a two-storey home rose 14.6 per cent year-over-year to \$725,391, while the price of a bungalow increased by 10.7 per cent to \$511,965. Over the same period, the price of a condominium climbed 13.4 per cent to \$397,826.

“Following a period of unprecedented regional disparity in activity and price appreciation, we are now seeing a return to healthy growth in the majority of Canadian housing markets,” said Phil Soper, president and CEO, Royal LePage. “The white-hot markets are moderating to very warm; the depressed markets are beginning to grow again. Canadian housing is in great shape – a statement that I certainly did not make last quarter.”

“The rate of national house price appreciation that we experienced in the second quarter continues to be above what we would consider a normal range, driven primarily by very strong year-over-year price growth across much of Ontario,” continued Soper.

Looking ahead to the remainder of the year, Royal LePage forecasts that the national aggregate

¹ Powered by Brookfield RPS

price of a home will increase by 9.5 per cent in 2017 to \$617,773 when compared to year-end, 2016.

About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation's largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country's leading provider of services to real estate brokerages, with a network of over 17,000 real estate professionals in more than 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women's and children's shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

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